



# Department of Justice

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## **JUSTICE DEPARTMENT SETTLES CIVIL CONTEMPT CLAIM AGAINST ALLIED WASTE INDUSTRIES INC.**

### ***Allied Agrees to Pay \$125,000 as Part of a Civil Settlement***

WASHINGTON — Allied Waste Industries Inc. has agreed to pay \$125,000 as part of a civil settlement with the Department of Justice that resolves Allied's alleged violations of a 2000 consent decree entered in connection with Allied's acquisition of Browning-Ferris Industries Inc. (BFI). The Department today filed a petition in the U.S. District Court for the District of Columbia asking it to find Allied in civil contempt of the decree. At the same time, the Department also filed a settlement agreement and order, subject to court approval, that would resolve the Department's concerns. The \$125,000 payment to the United States includes reimbursement to the government for the cost of its investigation into Allied's alleged violations.

"The Antitrust Division takes non-compliance with court decrees seriously," said Thomas O. Barnett, Assistant Attorney General in charge of the Department's Antitrust Division. "The rule of law requires companies to abide by a court's lawful orders."

Under the 2000 consent decree, the Department required Allied to sell waste collection and disposal operations in 13 states, covering 18 metropolitan areas, in order to proceed with its \$9.4 billion acquisition of BFI. Allied is also required to seek the Antitrust Division's approval before acquiring waste collection and disposal assets in any of the relevant geographic areas covered under the decree, provided certain minimum dollar threshold amounts are met.

According to the Department's petition, Allied violated this provision of the decree by acquiring a set of waste collection assets in the Chicago area in January 2004 from Homewood Disposal Services Inc. without first obtaining Department approval. The settlement agreement resolves all Department concerns arising from the alleged violation.

This is the second time the Department has moved to enforce Allied's compliance with provisions in the 2000 consent decree. In August 2004, the Department settled a violation relating to Allied's premature termination of disposal rights at a former BFI landfill in Massachusetts. The settlement required Allied to agree to entry of an enforcement order that resolved disposal rights and required Allied to implement a compliance program to ensure that Allied fully conformed with the requirements of the 2000 decree. As a consequence of that compliance program, Allied brought its earlier January 2004 acquisition from Homewood to the Department's attention as a potential violation of the decree.

Allied Waste Industries Inc., headquartered in Scottsdale, Ariz., is the second largest non-hazardous solid waste management company in the United States, with annual revenues of \$6 billion.

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